

Senate Bill 375

By: Senators Hamrick of the 30th, Hudgens of the 47th, Murphy of the 27th and Tarver of the 22nd

A BILL TO BE ENTITLED
AN ACT

To amend Article 13 of Chapter 1 of Title 7 of the Official Code of Georgia Annotated, relating to licensing of mortgage lenders and mortgage brokers, so as to create a nation-wide automated licensing system for mortgage brokers and mortgage lenders; to provide legislative findings; to provide for the Department of Banking and Finance to participate in such a system; to provide for rules and regulations; to provide for disbursement of fees minus expenses; to provide for changing license renewal dates; to provide for related matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Article 13 of Chapter 1 of Title 7 of the Official Code of Georgia Annotated, relating to licensing of mortgage lenders and mortgage brokers, is revised by adding a new Code section to read as follows:

"7-1-1003.5.

(a) The General Assembly has determined that a uniform multi-state administration of an automated licensing system for mortgage brokers and mortgage lenders is consistent with both the public interest and the purpose of this chapter; therefore, for the sole purpose of participating in the establishment and implementation of a multi-state automated licensing system for mortgage brokers and mortgage lenders, the department is authorized to:

(1) Participate in a nation-wide residential mortgage licensing system established to facilitate the sharing of information and standardization of the licensing and application processes for mortgage brokers and mortgage lenders by electronic or other means;

(2) Enter into operating agreements, information sharing agreements, interstate cooperative agreements and other contracts necessary for the department's participation in the nation-wide residential mortgage licensing system;

1 (3) Ensure that the nation-wide residential mortgage licensing system adopts an
2 appropriate privacy, data security, and security breach notification policy that is in full
3 compliance with existing state and federal law;

4 (4) Disclose or cause to be disclosed without liability applicant and licensee information
5 via the nation-wide residential mortgage licensing system to facilitate regulatory
6 oversight of mortgage brokers and mortgage lenders across state jurisdictional lines;

7 (5) Establish and adopt, by rule or regulation, requirements for participation by
8 applicants and licensees in the nation-wide residential mortgage licensing system upon
9 the department's finding that each new or amended requirement is consistent with both
10 the public interest and the purposes of this article;

11 (6) Pay all fees received from licensees and applicants related to applications, licenses,
12 and renewals to the Office of Treasury and Fiscal Services; provided, however, that the
13 department may net such fees to recover the cost of participation in the nation-wide
14 residential mortgage licensing system; and

15 (7) Modify by rule the license renewal dates set forth in Code Section 7-1-1005 from a
16 fiscal year to a calendar year, including providing for a one-time, six-month licensing
17 period accompanied by a one-time reduced fee during the conversion year from a fiscal
18 licensing year to a calendar licensing year.

19 (b) Irrespective of its participation in a nation-wide residential mortgage licensing system,
20 the department retains full and exclusive authority over determinations whether to grant,
21 renew, or revoke licenses issued to mortgage brokers and mortgage lenders under this
22 article. Nothing in this Code section shall be construed to reduce this authority."

23 **SECTION 2.**

24 This Act shall become effective on July 1, 2008.

25 **SECTION 3.**

26 All laws and parts of laws in conflict with this Act are repealed.